Quicker Process and Billing for Water Right Cost Reimbursement Agreements

Lean progress report: August 28, 2012

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Event Date	March 2011		
Background	As more water right applicants are selecting cost reimbursement (CR) for water right processing, the time to develop CR contracts is becoming longer. This is frustrating to applicants and to Ecology staff working on the projects.		
Project Objective(s)	Decrease the amount of time for developing and implementing a CR agreement to 30 working days* for initiating the CR process. *Presuming applicant returns signed CR Agreement and deposit within 10 working days.*		
Value Stream Mapping Outcome	**Current Situation (Old Way)**	**Future (New Way)**	**Benefits**
	Communication between internal and external people involved in developing CR projects was identified as a concern. Particularly the process of authorizing new projects with a "Blue Router" signature sheet has been the source of most slowdowns and frustrations.	Blue Router replaced with SharePoint site and RSS feeds for signature	Time savings.
	Roles and responsibilities are unclear. Job responsibilities are not defined for various staff involved in the process leading to delays in developing contracts.	Define staff roles and responsibilities.	More clarity, less confusion and overlap.
	No response time expectations for applicants and consultants.	Develop response time expectations for applicants and consultants.	Time savings.
Activities to Implement Future State	**Completed** • Replaced Blue Router with draft SharePoint Site and RSS feed, roles and expectations defined, response time expectations delineated. Two SharePoint site test runs completed. • Sweeping of expired contracts for replacement dollars earned but not billed. Four contracts in Central Regional Office (CRO) are being reconciled by the debiting of deposit. • Establishment of Deferred Revenue Accounts for collection of replacement dollars. **In Progress** • Consultant "training" on new response time expectations. • Performance monitoring of CR projects on a monthly basis. Establish format and timing of reports on costs, billing, budget remaining and replacement dollars balance. • Centralization of replacement dollars allocation to new projects statewide. • Fiscal issue resolution with billing upfront.		

Results to Date	• The approval routing with Sharepoint workflow was officially adopted in February 2012. Since that time, 21 Cost Reimbursement Agreements were routed for approval. The average routing time was 3.3 days, with the quickest turnaround at 1.5 hours. o Example: The Lucky Farms Cost Reimbursement Agreement approval workflow for SWRO was initiated at 11:59 am by Jim Roth. Erik Fairchild, the last approver, approved the contract at 1:40 pm. So, it took one hour and 41 minutes, and an hour of that was lunch time. • New language has been added to the cost reimbursement agreement template explaining that the applicant will be charged for staff replacement (backfill), direct, and consultant's fees in monthly invoices. • Projects set to expire 12/31/11 have been billed for staff replacement (backfill) for the direct hours that had already been billed
Discussion about Results	• All new CR projects will be approved through SharePoint workflow. • WR will continue to work with Fiscal to collect all staff replacement costs that are owed. • Regional programs will accumulate and spend staff replacement on from new deferred revenue accounts instead of project accounts that expire. • The original Lean process goals are being met – closure expected next quarter. Since no one person manages this process, the 30-day goal has not been tracked. Without the use of electronic signatures, tracking and attaining this goal will rely on two processes, which introduces inefficiency.

Future Action Plan (Milestones)	What?	Who?	When?
	Training for Ecy staff working on CR	Mark Kemner and Kelsey Collins	Late August – early September
	SharePoint Training for CR staff.	Jeff Marti	Quarterly
	Backfill issue resolution.	Mark Kemner and Kelsey Collins	Complete
	Consultant pool "training" on new response time expectations.	Rose Bennett	Ongoing